Sustaining an Open Knowledge Ecosystem: OA Revenue Models and a Case Study

Sharla Lair | LYRASIS
First, some background...
How I Serve and Interact

• Senior Strategist, Open Access and Scholarly Communication Initiatives | LYRASIS (since 2015)
  • Chair, Open Access eBook Usage Data Trust (OAeBU DT) Board of Trustees (2022 - 2024)
  • Diamond OA Community (2022 - present)
  • Open Access Books Network Specialty Interest Group | OPERAS (2022 - present)
  • Group 1: Shared Principles Committee | Coalition S/ALPSP/Information Power (2021)
  • MIT Press Library Advisory Board (2021 - 2023)
  • Subscribe to Open Community of Practice (2021 – present)
  • Crossref Books Advisory Group (2019 – present)
A Multi-Pronged Approach

We respect the diversity of Open models. We need many approaches to support the diversity of scholarship.

We focus on programs that create opportunities for diverse libraries and institutions to engage.

We seek transformation through a variety of models.
Paywalled vs Open Access Revenue Models

Paywalled Revenue Models
• The product is published and revenue is collected to subsidize the costs.
  • Subscription (on-going spend)
  • Purchase (one-time spend)

Open Access Revenue Models
• The revenue is collected upfront and the product is published.
  • Subscription (on-going spend)
  • One-time spend
**Dominant Revenue Models for Open**

- **Earned Revenue Models**
  - Advertising
  - Article/Book Processing Charge
  - Cross Subsidies
  - Crowdfunding from Individuals
  - Embargoed/Delayed OA
  - Endowments
  - Fundraising
  - Hybrid (digital-only freemium)
  - Hybrid (print)
  - Third-Party Licensing

- **Embedded Institutional Support**
  - Library-Based Publishing
  - Subsidy Model

- **Third-Party Subsidies**
  - Grants
  - Liberation

- **Consortial Models**
  - Library Crowdfunding
  - Membership Fees
  - Shared Infrastructure
  - Subscribe-to-Open

Earned Revenue OA Models

- Advertising
- Article or Book Processing Charge
- Cross Subsidies
- Crowdfunding from Individuals
- Embargoed/Delayed OA
- Endowments
- Fundraising (donations and grants)
- Hybrid (digital-only freemium)
- Hybrid (print)
- Third-Party Licensing
Embedded Institutional Support

Library-based publishing

Subsidy Model
Third-Party Subsidies

Grants

Liberation
Consortial or Collaborative Models

- Organizational Crowdfunding/Sponsorship
- Membership Fees
- Shared Infrastructure
- Subscribe-to-Open or Conditional
## OA Books Revenue Models

<table>
<thead>
<tr>
<th>Model</th>
<th>Example publishers / service providers</th>
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What it boils down to

One-Time Spend
Libraries pay the full cost of publishing an OA book or article out of library funds.
Example business models: Publication Fees, also referred to as Article Processing Charges (APCs), Book Processing Charges (BPCs) or Subvention Grants
Example program: TOME Initiative, SCOAP3 Open Physics Books Fund

Ongoing Spend
Libraries pay an ongoing fee, usually less than any APCs or BPCs
Example business models: Membership, Subscribe to Open, Collective/Collaborative Funding, Diamond/Platinum OA
Example OA program: Opening the Future, Open Library of Humanities, Annual Reviews
OA Journals
Revenue Models

Subscribe to Open (S2O)
• Built upon legacy subscription model; Best suited for publishers with an existing customer base; Requires all subscribers to renew or content remains gated; Works through normal procurement workflows | free to read; free to publish... IF threshold is met
• Ongoing spend
• Examples:
  • Annual Reviews
  • International Water Association
  • Liverpool University Press

Collective/Crowdfunding Models
• Restructuring of subscription model; Requires collective action; May or may not be built upon APC costs | free to read; free to publish
• Ongoing Spend
• Examples:
  • Demography
  • Open Library of Humanities
  • LYRASIS Open Access Community Investment Program
OA Books
Revenue Models

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• Ongoing Spend
  • MIT Press Direct to Open
  • Opening the Future
  • University of Michigan Press Fund to Mission

Collective/Crowdfunding/Membership Models
• Restructuring of subscription model; Requires collective action; May or may not be built upon APC costs | free to read; free to publish

• Ongoing Spend
  • Lever Press
  • Punctum Books
  • LYRASIS UNSDG OA Books Fund
A Case Study

The Open Access Community Investment Program
The Problems

- Increase in OA programs
- Lack of sufficient information
- One-off OA investments
- Administrative hurdles
- Lack of sustainable funding of OA Diamond Journals
  - OA Diamond Journals Survey - [https://scienceeurope.org/our-resources/oa-diamond-journals-study/](https://scienceeurope.org/our-resources/oa-diamond-journals-study/)

Building Partnerships through Problem-Solving
LYRASIS and Transitioning Society Publications to Open Access (TSPOA) - [https://tspoa.org/](https://tspoa.org/)
A Solution?

• **Beginning of a Community**
  • LYRASIS + TSPOA
  • Library Publishers
  • University Presses
  • Scholar-Led Initiatives
  • Funders (Library Community, Academic Departments, Funding Agencies)

• **Content Focus**
  • OA Diamond Journals

• **Goals**
  • Develop Criteria
  • Establish a Hub
  • Facilitate Coordination
Open Access Community Investment Program


What is OACIP?

The LYRASIS Open Access Community Investment Program (OACIP) provides a community-driven framework that enables multiple stakeholders - including academic and public libraries, academic departments, institutions, museums, and funding agencies - to evaluate and collectively fund Diamond Open Access (OA) journals. The program is designed to be:

- **Sustainable** - Investments in OACIP support costs of labor, infrastructure, contingency, and innovation of each journal.
- **Principle-aligned** - The OACIP Criteria Form enables investors to make principled spending decisions and strategically fund programs that align with their missions.
- **Inclusive** - OACIP provides a hub for Diamond OA content published by nonprofit, academic-led publishers to sustain bibliodiversity, equity, and inclusion of scholarship.
- **Collaborative** - OACIP enables an array of communities to share the costs of funding scholarship.
- **Efficient** - OACIP centralizes the administration and funding of individual journals or across the entire OACIP portfolio.

Invest in OACIP Today

Visit the following programs to:

1. Review the participating journals’ criteria responses

Stay in the Know

- Learn more about Diamond Open Access and how it is a pathway to more diverse, equitable, inclusive, and sustainable scholarly communication.
- Follow OACIP on Twitter to keep up with the latest news about OACIP.
- Visit the LYRASIS Open Access Programs webpage to find other opportunities to invest in Open. LYRASIS supports a variety of Open initiatives and programs that create opportunities for institutions to actively engage and shape the scholarly communication landscape.
- Subscribe to the LYROpen listserv to stay abreast of news regarding all existing and new OA program partners at LYRASIS as well as updates about emerging and continuing OA.
OACIP Criteria

- Elevator Pitch
- Mission & publishing history
- Impact
- Peer review process
- Current business model
- Finances & stability
- Governance
- Social justice/diversity
- © & authors’ rights
- Technical standards

How OACIP works

Documentation
• Journal completes OACIP Criteria Form
• Define expectations and confirm partnership through an MOU (5-year agreement)
• Drafts Participation Agreement for libraries

Business Modeling - Five Year Plan
• Expenses
• Sustainability Fund (at least 15%)
• Pricing model

Outreach and marketing
• Fiscal systems
• CRM
• Website

The Campaign
• Promotion through listservs, social media, publications, presentations, and targeted campaigns (done in coordination with journal)
• LYRASIS manages invoicing and participation agreements (one-time payments or invoiced annually for 5 years)
• LYRASIS sends regular reports to journals

End of Campaign
• LYRASIS sends funds to journals
• LYRASIS continues to invoice libraries each year for the 5 years
• LYRASIS acts as a hub for annual reports from the journals - COMING SOON
Opportunities for the OACIP Partner Publisher

- Support DEI goals and initiatives
- Increase access to third-party services (e.g., copyediting, typesetting)
- Reduce workload for editors
- “Professionalization” of publications
- Compensation
Success?

By the Numbers

- 56 Institutions
  - 48 Research
  - 6 Liberal Arts
  - 1 Masters
  - 1 Museum
- 4 Countries
- $522,535.00 Committed through 2026
  - Public - 75%
  - Private - 24%
  - Non-Profit - 1%
- [Budapest Open Access Initiative 20th Anniversary Recommendation 3.13](#)

First Campaign (Pilot) | 2020 - 2021

- Combinatorial Theory - 100% Funded
- Environmental Humanities - 100% Funded

Second Campaign | 2021 - 2022

- Algebraic Combinatorics - 100% Funded
- History of Media Studies - 100% Funded
- Journal of Librarianship and Scholarly Communication - 100% Funded
What’s next for OACIP?

• Launched Third Round
  • American Indian Culture and Research Journal
  • Cultural Anthropology
  • Engaging Science, Technology, and Society
  • International Journal of Strength and Conditioning
  • Language, Literature and Interdisciplinary Studies
  • Liquid Blackness: Journal of Aesthetics and Black Studies

• Draft a standard report template
• Continue conversations to realize a global distributed funding network for OA Diamond content.
• Formalize the OACIP Community to help shape the future of OACIP with a particular focus on DEI
Thank you!

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